

State Revolving Fund Loan Programs Drinking Water, Wastewater, Nonpoint Source

PRELIMINARY DECISION OF CATEGORICAL EXCLUSION

TO ALL INTERESTED CITIZENS, ORGANIZATIONS AND GOVERNMENT AGENCIES:

CITY OF TERRE HAUTE Terre Haute Coke & Carbon Brownfields Remediation Project Clean Water SRF Project # WW 10 05 84 01

Date: October 18, 2012

Pursuant to IC 4-4-11, the State Revolving Fund (SRF) Loan Program has determined that this project will have no substantial negative environmental impact. Therefore, the SRF is issuing a preliminary decision of Categorical Exclusion from the requirements of substantive environmental review.

How were environmental issues considered?

The National Environmental Policy Act requires agencies disbursing Federal funds to include environmental factors in the decision making process. A summary of the project is attached for your review. The SRF's preliminary review has found that the proposed project does not require the preparation of either an Environmental Assessment or an Environmental Impact Statement.

Why is additional environmental review not required?

Our environmental review has concluded that significant environmental impacts will not result from the proposed action.

How do I submit comments?

Comments can be submitted to:

Max Henschen, Senior Environmental Manager SRF Programs 317-232-9623; mhensche at ifa.in.gov

CATEGORICAL EXCLUSION

I. PROJECT IDENTIFICATION

Project Name and Address:

Terre Haute Coke & Carbon

Brownfields Site Remediation Project

City of Terre Haute 17 Harding Ave. Terre Haute, IN 47807

SRF Project Number:

WW10 05 84 01

Authorized Representative:

Mayor Duke A. Bennett

II. PROJECT LOCATION

Terre Haute is located in central Vigo County. The project area comprises 20 acres on a $62 \pm$ acre contaminated site at 1341 Hulman St., Harrison Township, Terre Haute USGS 7.5' quadrangle, T12N, R9W, NE $\frac{1}{4}$ section 34; see figures 1 and 2.

III. PROJECT NEED AND PURPOSE

The 62± acre former Terre Haute Coke & Carbon site is vacant and owned by the Terre Haute Redevelopment Department.

From the mid-1920s until 1988, a coke, benzol and gas manufacturing facility occupied the site. As a result of those operations, soils and groundwater are contaminated with a variety of hazardous substances, including naphthalene, benzene, toluene, xylene, arsenic, lead, coke and coal. On-site structures were decommissioned in the late 1980s. Currently, the site is vacant and primarily grass-covered.

The city plans to redevelop the site as a new industrial/commercial business park, with green space areas and a potential bicycle-pedestrian trailhead area. Adjacent properties include a CSX railroad, decommissioned rail yard and maintenance facility to the east; commercial properties, power station and residential properties located across 13th Street to the west; residential and commercial properties across Hulman Street to the north; and the Terre Haute Quarter Midget race track and parking located south of the property.

The project described here proposes remediating only approximately 20 acres along 13^{th} Street and Hulman Street; the entire site comprises $62 \pm$ acres. The remaining acreage will remain as is until more remediation funds become available.

The "No Action" alternative was rejected since the contaminated project area would continue to cause an environmental and public health risk.

The city evaluated several options, choosing Option 5. The primary advantage of Option 5 over all other options is the opportunity to redevelop *all* frontage property along the 13th Street and the Hulman Street corridors from the North, Middle, and South parcels to a depth of approximately 325 feet from the respective western and northern public rights-of-way. This depth is equivalent to a typical Terre Haute city block.

Preliminary cost estimates suggest that Option 5 has a higher remediation cost than the next preferable alternative (Option 1), but the potential economic return on investment with the maximum use of site frontage property has a much greater potential for successful commercial/light industrial redevelopment based on the city's experience and knowledge of the local economic/redevelopment environment.

Remediation to achieve commercial/industrial closure, tar pit stabilization, and measures to address groundwater contamination will involve removal of all contaminated soil in the 20 acre project area. The project will take approximately 12-18 months.

IV. ESTIMATED PROJECT COSTS, AFFORDABILITY AND FUNDING

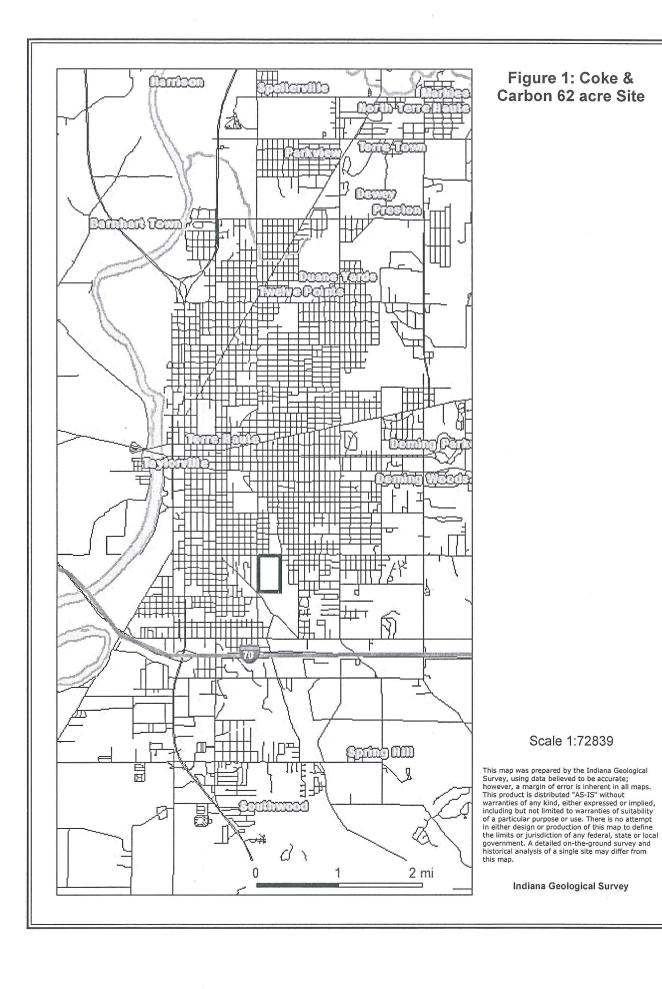
The estimated cost for the proposed project is \$6,781,643. The SRF has also approved a project that will improve the Terre Haute wastewater treatment plant (WWTP) for an estimated cost of \$121,800,000. The city will borrow approximately \$128,581,643 to finance both the remediation and the WWTP projects for a 20-year term at an annual interest rate to be determined at loan closing.

V. ENVIRONMENTAL IMPACTS OF THE FEASIBLE ALTERNATIVES

Negative environmental impacts will be minimal. Construction and operation of the project will not alter, demolish or remove historic properties. If any visual or audible impacts to historic properties occur, they will be temporary and will not alter the characteristics that qualify such properties for inclusion in or eligibility for the National Register of Historic Places. The SRF's finding pursuant to Section 106 of the National Historic Preservation Act is: "no historic properties affected."

VI. PUBLIC PARTICIPATION

The project has been addressed in numerous public meetings, as well as public presentations and documents of the city Chamber of Commerce, and the Redevelopment Commission, and on the city's Brownfields Program web pages.



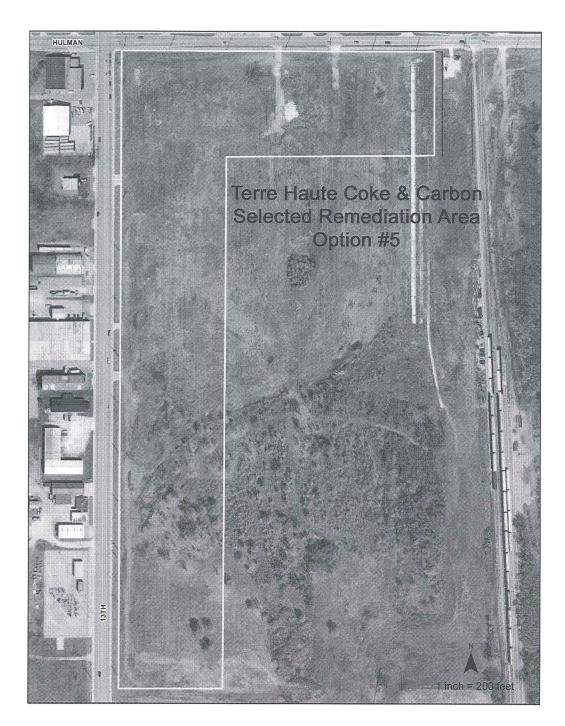


Figure 2: Remediation Area